MEMO

DATE:

July 12, 2007

TO:

Energy and Environment Committee

FROM:

Daniel E. Griset, Program Manager, 213.236.1895, griset@scag.ca.gov

SUBJECT:

A Preferred Alternative for Salton Sea Restoration

BACKGROUND:

As a part of protecting Southern California's access to the Colorado River water supplies, the state took on a responsibility for the restoration of the Salton Sea. This commitment was one element of the Quantification Agreements reached among various water agencies in 2003 that allowed California to maximize its access to vital Colorado River water.

Now, as a result of an extended study of alternative proposals for restoring the Salton Sea, the Secretary for Resources announced on May 25, 2007 a Preferred Alternative that reflects a 75 year vision for this ecosystem at an estimated cost of \$8.9 billion. The selection of this alternative was guided by certain directives established by the Legislature beginning in 2002 that called for the protection of fish and wildlife resources by restoring habitat, the elimination of air quality impacts from the restoration project and the protection of water quality. These directives were subject to a standard of "maximum feasible attainment". The Programmatic Environmental Impact Report that was released in draft form in October, 2006 is expected to be released in Final form sometime this month.

This Preferred Alternative Report is a continuation of a process that began in 2003, shortly after state legislation was passed to facilitate implementation of the historic Quantification Settlement Agreement (QSA). The QSA provides, for a period of 35 to 75 years, a resolution of issues regarding the reasonable and beneficial use of Colorado River water and provides part of the mechanism for California to reduce its use of Colorado River water. The QSA facilitated the water transfers from the Imperial Irrigation District in the Imperial Valley to the San Diego County Water Authority. These transfers are being implemented in accordance with a schedule of farm land water conservation actions and fallowing. The transfers would substantially reduce the irrigation drainage that replenishes the Sea, thereby accelerating the rise in salinity and causing the Sea's elevation to decline. Of note, the QSA is composed of nearly 30 related agreements that document a multi-faceted compromise among the Imperial Irrigation District, Coachella Valley Water District, San Diego County Water Authority, and Metropolitan Water District.

There were nine alternatives, including the "No Action" alternative. The estimated capital costs for these alternatives range from \$800 million to \$8.9 billion. The estimated annual operation and maintenance costs range from \$48 million to \$142 million. The announced Preferred Alternative most resembles Alternative 6 below.



Alternatives

- 1: No Action
- 2: Saline Habitat Complex I (38,000 acres of Saline Habitat Complex with minimum recirculation facilities and Air Quality Management)
- 3: Saline Habitat Complex II (75,000 acres of Saline Habitat Complex with brine recirculation and Air Quality Management)
- 4: Concentric Rings (61,000 acres of Marine Sea in two concentric rings, Air Quality Management, and no Saline Habitat Complex cells)
- 5: Concentric Lakes (88,000 acres of habitat similar to Saline Habitat Complex in four concentric water bodies as defined by the Imperial Group, with dedicated inflows for Air Quality Management but no long-term facilities)
- 6: North Sea (62,000 acres of Marine Sea in the northern sea bed, 45,500 acres of Saline Habitat Complex in the southern sea bed, and Air Quality Management)
- 7: North Sea Combined (74,000 acres of Marine Sea in the northern, western, and southern sea bed; 29,000 acres of Saline Habitat Complex cells in the southern sea bed; and Air Quality Management)
- 8: Combined North and South Lakes (104,000 acres of Marine Sea in the northern, western, and southern sea bed; 12,000 acres of Saline Habitat Complex cells in the eastern sea bed; water treatment of inflows and water withdrawn from the eastern portion of the northern Marine Sea; and use of Brine Stabilization for Air Quality Management at lower elevations)
- 9: South Sea Combined (83,000 acres of Marine Sea primarily in the southern sea bed with a smaller Marine Sea in the western and northern sea bed, 18,000 acres of Saline Habitat Complex in the southern sea bed, and Air Quality Management)

SCAG participated in the founding of the Salton Sea Authority (SSA), a joint powers entity that has brought together two county governments, two water districts and one Indian tribe. SSA was formed to work with California state agencies, federal agencies, and the Republic of Mexico to develop programs that would continue beneficial use of the Salton Sea. In the joint powers agreement, "beneficial use" includes the primary purpose of the Sea as a depository for agricultural drainage, storm water and wastewater flows; for protection of endangered species, fisheries and waterfowl; and for recreational purposes.

The SSA has advocated for its own alternative and wants a lead role in any restoration enterprise. The Authority's planning efforts have included financing proposals that seek to raise financing with the capture of tax increments from future development around a restored Sea. Some stakeholders consider commercial and residential development around the Sea with concern, considering the potentially adverse impacts it would have on the habitat aspects of a restoration effort.

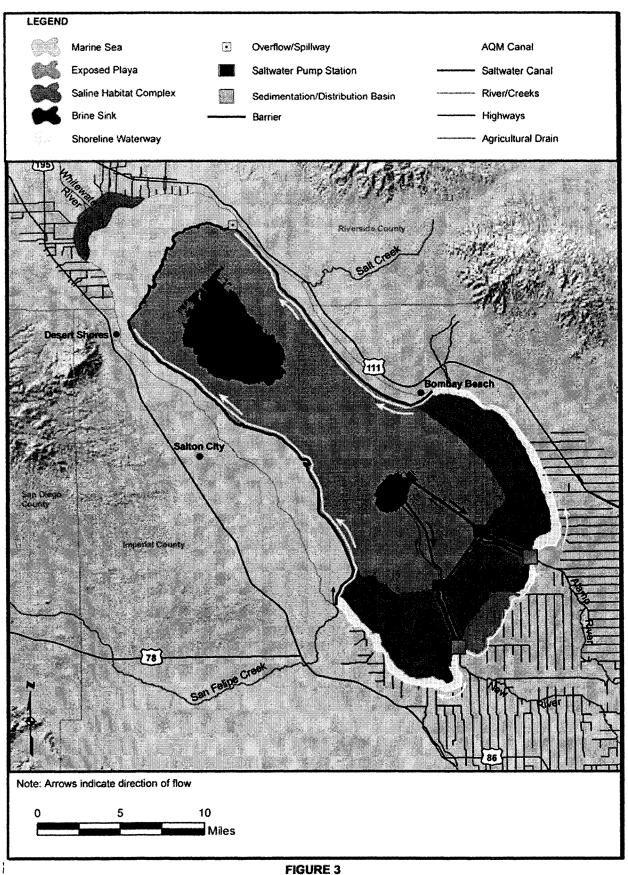


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Consistent with the QSA and related agreements, federal and state law, Salton Sea restoration is to be accomplished without increased dependence on the Colorado River. Nonetheless, the interaction of water demands for ecosystem restoration and for municipal water supplies throughout southern California makes the pending policy choices about the Salton Sea a matter of great interest to a growing SCAG region with growing water demands.



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FISCAL IMPACT:

This information item has no fiscal impact on SCAG.

Reviewed by:

Division Manager

Reviewed by:

Department Director

Reviewed by:

Chief Financial Officer